

**Final Work Verification Plan – State of Colorado**  
**Department of Human Services**  
**Accordance with the regulations at 45 CFR 261.63(c)**  
Effective October 1, 2008

**I. Countable Work Activities**

**NOTE FOR ALL WORK ACTIVITIES LISTED BELOW –**

**Documentation and Case File Maintenance –**

The County Department of Social/Human Services is responsible for assuring the maintenance of TANF/Colorado Works case files that include eligibility related documentation, in addition to all work program assessments, Individual Responsibility Contracts (IRCs) and all timesheets other related documentation related to work verification for each work activity. The county department is responsible for maintaining files in a format that is clear and readable and if in electronic format, accessible for state and/or federal audit purposes.

**1) Unsubsidized Employment**

**Federal regulatory Definition**

Full or part-time employment in the public or private sector that is not subsidized by TANF or any other public program.

**Services/programs Colorado includes under the activity**

Unsubsidized employment includes all paid employment that is not subsidized by TANF or any other public program and includes self-employment.

**How Colorado determines the number of countable hours of participation for the activity**

Hours are determined through pay stubs, timesheets, and other employer issued documentation substantiating and verifying actual hours of participation and will include: the participant's name; actual hours of participation; the name of the employer or worksite supervisor and the name and phone number of the person verifying hours. This includes work hours for which the individual is paid, but does not work, including paid leave and paid holidays. Colorado does not intend to project hours forward. Actual hours will be used. Relevant National Directory of New Hires (NDNH) interface data, such as quarterly wage data and other returns through this match will be used, to the extent possible, to verify employment and subsequently seek hours of work participation. The number of hours of self-employment counted toward participation is determined by calculating the individual's gross earned income, less business expenses, divided by the **Federal** minimum wage, which is the same calculation used to determine TANF eligibility in Colorado. **Collateral phone contact of hours will be allowed only in the event where pay stubs and other verification cannot be obtained. The Collateral contact shall be documented in the case file.**

**How Colorado verifies actual hours of participation for the activity**

The case manager of record verifies the actual hours of participation for this work activity monthly through a review of the timesheet, pay stub and/or other employer/work-site issued documentation. Hours are also verified through the Tier I and Tier II processes outlined under Section IV - Internal Controls in this document, which includes both secondary stage supervisory reviews and state management reviews. Colorado does not intend to project forward the hours of participation.

**If unpaid work activity, method of daily supervision.**

Not applicable for paid employment

**2) Subsidized private sector employment****Federal regulatory Definition**

Employment in the private sector for which the employer receives a subsidy from TANF or other public funds to offset some or all of the wages and costs of employing a recipient

**Services/programs Colorado includes under the activity**

Includes work supplementation, third party contractor as employer of record and supported work for individuals with disabilities. The goal of subsidized work is to support employers in employing TANF recipients where they may not otherwise be able to do so and the outcome should be full-time paid employment by the employer or another employer after the subsidized period ends. No time limitation is established for this activity, only a mandate for a review and substantiation for continuation at least every six (6) months. The primary benefit of this subsidy shall be to the employee, not the employer, so not to displace workers as in section 407(f) of the Act and existing regulatory provision at Sec. 261.70.

**How Colorado determines the number of countable hours of participation for the activity**

Hours are determined through pay stubs, timesheets, and other employer issued documentation substantiating and verifying actual hours of participation and will include: the participant's name; actual hours of participation; the name of the employer or worksite supervisor, educational provider, or other service provider; and the name and phone number of the person verifying hours. This includes work hours for which the individual is paid, but does not work, including paid leave and paid holidays. Colorado does not intend to project hours forward. Actual hours will be used. In order for hours of participation to count in various supportive activities, such as barrier removal activities, they must be integrated parts of the subsidized employment and individuals must be paid for each activity

**How Colorado verifies actual hours of participation for the activity**

The case manager of record verifies the actual hours of participation for this work activity monthly through a review of the timesheet, pay stubs and/or other employer/work-site issued documentation. Hours are also verified through the Tier I and Tier II processes outlined under Section IV - Internal Controls in this document, which includes both secondary stage supervisory reviews and state management reviews. Colorado does not intend to project forward the hours of participation.

**Collateral phone contact of hours will be allowed only in the event where pay stubs or other verification cannot be obtained. The Collateral contact shall be documented in the case file.**

**If unpaid work activity, method of daily supervision.**

Not applicable for paid employment

### **3) Subsidized public sector employment**

#### **Federal regulatory Definition**

Employment in the public sector for which the employer receives a subsidy from TANF or other public funds to offset some or all of the wages and costs of employing a recipient.

#### **Services/programs Colorado includes under the activity**

Includes work supplementation, third party contractor as employer of record and supported work for individuals with disabilities. The goal of subsidized work is to support employers in employing TANF recipients where they may not otherwise be able to do so and the outcome should be full-time paid employment by the employer or another employer after the subsidized period ends. No time limitation is established for this activity, only a mandate for a review and substantiation for continuation at least every six (6) months. The primary benefit of this subsidy shall be to the employee, not the employer, so not to displace workers as in section 407(f) of the Act and existing regulatory provision at Sec. 261.70.

#### **How Colorado determines the number of countable hours of participation for the activity**

Hours are determined through pay stubs, timesheets, and other employer issued documentation substantiating and verifying actual hours of participation and will include: the participant's name; actual hours of participation; the name of the employer or worksite supervisor, educational provider, or other service provider; and the name and phone number of the person verifying hours. This includes work hours for which the individual is paid, but does not work, including paid leave and paid holidays. Colorado does not intend to project hours forward. Actual hours will be used. In order for hours of participation to count in various supportive activities, such as barrier removal activities, they must be integrated parts of the subsidized employment and individuals must be paid for each activity.

#### **How Colorado verifies actual hours of participation for the activity**

The case manager of record verifies the actual hours of participation for this work activity monthly through a review of the timesheet, pay stub and/or other employer/work-site issued documentation. Hours are also verified through the Tier I and Tier II processes outlined under Section IV - Internal Controls in this document, which includes both secondary stage supervisory reviews and state management reviews. Colorado does not intend to project forward the hours of participation.

**Collateral phone contact of hours will be allowed only in the event where pay stubs or other verification cannot be obtained. The Collateral contact shall be documented in the case file.**

#### **If unpaid work activity, method of daily supervision.**

Not applicable for paid employment

### **4) Work Experience**

#### **Federal regulatory Definition**

Including work associated with the refurbishing of publicly assisted housing if sufficient private sector employment is not available means a work activity, performed in return for welfare, that provides an individual with an opportunity to acquire the general skills, training, knowledge, and work habits necessary to obtain employment. The purpose of work experience is to improve the employability of those who cannot find sufficient/full-time unsubsidized employment.

**Services/programs Colorado includes under the activity**

Work experience placements occur in bona fide businesses, including private-for-profit and non-profit/community-based organizations, as well as public agencies. Prior to placement, potential work experience providers are evaluated with the participant and the participant assessment to ensure placement is related to the participant's employment goals and relevant interests and aptitudes, where feasible. Work experience examples include work in social service and other government community agencies, and non-profit businesses. Work experience can also include unpaid internships/externships and field placements related to a formal training experience. As a part of work experience, short-term instruction on workplace expectations and soft skills guidance is acceptable. Examples include safety direction; informal job coaching; and any efforts that enhance general workplace skills needed to augment a participants' ability to retain paid employment. This instruction is allowable as long as it is specifically related to the work experience. No time limitation is established for work experience or the associated workplace guidance/short-term instruction. There is, however, a mandate for a review and substantiation for continuation at least every six (6) months. The primary benefit of this work experience shall be to the employee, not the employer, so not to displace workers as in section 407(f) of the Act and existing regulatory provision at Sec. 261.70.

**How Colorado determines the number of countable hours of participation for the activity**

Hours are determined through timesheets, and other worksite issued documentation substantiating and verifying actual hours of participation and will include: the participant's name; actual hours of participation; the name of the employer or worksite supervisor and the name and phone number of the person verifying hours.

**How Colorado verifies actual hours of participation for the activity**

The case manager of record verifies the actual hours of participation for this work activity monthly through a review of the worksite timesheet and/or other employer/work-site issued documentation. Hours are also verified through the Tier I and Tier II processes outlined under Section IV - Internal Controls in this document, which includes both secondary stage supervisory reviews and state management reviews

**If unpaid work activity, method of daily supervision.**

Supervision will be conducted by the work-site supervisor through an agency Sponsor Agreement with the county department and the work-site sponsor outlining the worksite's responsibility to maintain records and prepare reports regarding the progress of each participant, as prescribed by the county department, including written verification of attendance. The agreement shall include information regarding the projected and actual start and end dates of the activity, weekly scheduled and actual hours, in addition to the marketable skills the participant is expected to obtain while participating in the activity. *Daily supervision means that a responsible party has daily responsibility for the oversight of the individual's participation, not necessarily daily, in-person, contact with the participant.*

**FLSA NOTE:** Guidance on FLSA has been given to all county departments. Colorado's eligibility and workforce development automated system, the Colorado Benefits Management System (CBMS), calculates fair labor standards payments automatically based on a mini-simplified food program in order to pay hours completed above the benefit amount divided by the higher of the state and federal minimum wage. Participants who participate for the maximum hours allowed under the minimum wage requirements of FLSA are considered to have satisfied the weekly number of core activity hours. All work experience participants are considered employees under the FLSA.

## **5) On-The-Job Training**

### **Federal regulatory Definition**

Training in the public or private sector that is given to a paid employee while he or she is engaged in productive work and that provides knowledge and skills essential to the full and adequate performance of the job.

### **Services/programs Colorado includes under the activity**

OJT differs from subsidized employment in Colorado as OJT has provisions that are guided contractually with regard to job specific competency attainment through the life of the OJT experience. **OJT goal** is to support participants through training for job specific skills and this can include supported employment for those with disabilities. Paid training whether provided on-site or off-site is considered On-the-Job Training. Employers providing training are expected to provide training, guidance and direction to help employees obtain unsubsidized employment, whether with the employer providing training or with another employer. No time limitation is established for this activity, only a mandate for a review and substantiation for continuation at least every six (6) months. The primary benefit of this training shall be to the employee, not the employer, so not to displace workers as in section 407(f) of the Act and existing regulatory provision at Sec. 261.70.

### **How Colorado determines the number of countable hours of participation for the activity**

Pay stubs, timesheets, and other worksite issued documentation substantiating and verifying actual hours of participation will include: the participant's name; actual hours of participation; the name of the employer or worksite supervisor, educational provider, or other service provider; and the name and phone number of the person verifying hours. This includes hours, for which the individual is paid, but does not work, including paid leave and paid holidays.

### **How Colorado verifies actual hours of participation for the activity**

The case manager of record verifies the actual hours of participation for this work activity monthly through a review of the timesheet, pay stub and/or other employer/work-site issued documentation. Hours are also verified through the Tier I and Tier II processes outlined under Section IV - Internal Controls in this document, which includes both secondary stage supervisory reviews and state management reviews

### **If unpaid work activity, method of daily supervision.**

Supervision will be conducted by the employer of record/ work-site supervisor through an agency Sponsor Agreement with the county department or agent of the county department. *Daily supervision means that a responsible party has daily responsibility for the oversight of the individual's participation, not necessarily daily, in-person, contact with the participant*

## **6) Job search and job readiness assistance**

### **Federal regulatory Definition**

The act of seeking or obtaining employment, preparation to seek or obtain employment, including life skills training, and substance abuse treatment, mental health treatment, or rehabilitation activities. Such treatment or therapy must be determined to be necessary by a qualified medical or mental health professional.

### **Services/programs Colorado includes under the activity**

Colorado will offer three types of job search/job readiness activities. The first is **Job Readiness I** and involves participation in supervised activities that involved direct development of job seeking skills, such as development of cover letters, applications, thank you letters, development of cold call and other call scripts, informational interviewing, identification and listing job references, labor market research, business culture workshops, video interviewing, and physical/other evaluation tests related to specific types of employment readiness. The second is **Job Readiness II** and involves substance abuse treatment, mental health treatment or rehabilitation activities. Such treatment or therapy must be determined and documented as necessary by a qualified medical or mental health professional or other licensed professional in the State of Colorado, such as certified addiction counselors under Colorado law. Initial determination of substance abuse and or mental health and rehabilitation need is identified through various assessment instruments, self-identifying need, worksite/work activity observation of this barrier and other community-based assessments and interventions. Barrier removal activities related to domestic violence will also be acknowledged as job readiness activities. These activities include development of safety plans, restraining order acquisition, counseling and other activities that increase the safety and well-being of victims and survivors of domestic violence and their children once they become employed. Lastly, **Direct Job search** activities will be allowed that include cold calling employers, interviewing, making employer contact via Internet applications, supervised job search labs/job club, reviewing referrals and outcomes with Colorado Workforce Center staff, submitting applications and cover letters. Travel time between interviews can be counted as a part of a job search and job readiness assistance, but not the travel time to the first job search interview/contact or time spent returning home after the last interview/contact. Estimated hours of participation will not be reported based on the number of job search contacts.

### **How Colorado determines the number of countable hours of participation for the activity**

Timesheets certified by the case manager, counselor or other individual supervising this activity (workforce center counselor) of time spent actually looking for employment or completing job readiness activities in a supervised setting e.g. workforce center or local county department of human service or attending substance abuse or mental health counseling/rehabilitation will include: the participant's name; actual hours of participation; the name of the supervisor, educational provider, or other service provider; and the name and phone number of the person verifying hours.

### **How Colorado verifies actual hours of participation for the activity**

The case manager of record verifies the actual hours of participation for this work activity monthly through a review of the timesheets, job contact sheets, documentation from treatment centers, hospitals and other community based agencies with qualified professionals providing substance abuse, mental health and rehabilitation services. Hours are also verified through the Tier I and Tier II processes outlined under Section IV - Internal Controls in this document, which includes both secondary stage supervisory reviews and state management reviews.

Random verifications of job contacts under "Direct Job Search" will occur by the case manager through the secondary stage supervisory review on an ongoing basis (at least one case, if it exists in the sample, per month) to determine that those contacts are actually being made. Also, as a part of the Tier I and Tier II process under Internal Controls, Section IV, the policy is that if one case exists in job search/job readiness to select in the universe of cases for the particular county for state review, it will become part of selected sample and the state, through its review, will review logs of time/timesheets are incomplete and/or the state cannot verify hours, the hours will not be reported for work participation. A certain number of job contacts DO NOT constitute a certain number of hours of participation, such as one job contact = one hour of participation. Only ACTUAL hours of job search shall be included in work participation attendance screens and documented in the cases.

**TIME LIMITS:** Six weeks of job search and job readiness assistance equates to 120 hours for work eligible individuals with any child under six-years of age and 180 hours for all other work eligible individuals for the preceding 12-month period. The first four consecutive weeks of participation in this work activity will commence if any hours are entered for the first seven consecutive day period and those hours are used toward the federal work participation rate.

**If unpaid work activity, method of daily supervision.**

Supervision will be conducted by the case manager or a designee of the case manager and agreed upon through the participant's Individual Responsibility Contract (IRC). *Daily supervision means that a responsible party has daily responsibility for the oversight of the individual's participation, not necessarily daily, in-person, contact with the participant*

**7) Community service programs****Federal regulatory Definition**

Structured programs and embedded activities in which those that are work-eligible perform work for the direct benefit of the community under the auspices of public or nonprofit organizations. Community service programs must be limited to projects that serve a useful community purpose in fields such as health, social service, environmental protection, education, urban and rural redevelopment, welfare, recreation, public facilities, public safety, and childcare.

**Services/programs Colorado includes under the activity**

Colorado determines prior training, experience, and skills of a recipient through state guided assessment strategies. The results of these assessments are used in developing appropriate community service assignments for participants. Allowable structured activities can be utilized that provide both a community service and also improve the employability of participants. Community service programs will be limited to projects that serve a useful community purpose in fields such as health, social service, environmental protection, education, urban and rural redevelopment, welfare, recreation, public facilities, public safety, and childcare. Community service can also include unpaid internships/externships and field placements related to a formal training experience.

Colorado will allow training activities as a part of community service, such as computer training when the employer of record/work-site supervisor, case manager and participant agree that such short-term training is needed to make the participant more employable. The training shall not exceed 6-months. All Colorado community service activities are subject to FLSA. For both self initiated and county initiated community service, a sponsor agreement will be used with the community service agency sponsor who will attest that the work performed has a direct benefit to the community-at-large. County departments will be directed to ensure through site visits and/or community service site representative attestation form that it 1) Is a safe environment for a participant, 2) work conducted at the site is related to the participant assessment information and that information used to determine if it will improve the individual's employability, 3) Worker's compensation coverage is paid for through the site or through the county's worker's compensation plan, 4) the site provides an opportunity that directly benefits the community.

**How Colorado determines the number of countable hours of participation for the activity**

Timesheets, and other worksite issued documentation substantiating and verifying actual hours of participation will include: the participant's name; actual hours of participation; the name of the employer or worksite supervisor, educational provider, or other service provider; and the name and phone number of the person verifying hours.

**How Colorado verifies actual hours of participation for the activity**

The case manager of record verifies the actual hours of participation for this work activity monthly through a review of the timesheet, and/or other employer/work-site issued documentation. Hours are also verified through the Tier I and Tier II processes outlined under Section IV - Internal Controls in this document, which includes both secondary stage supervisory reviews and state management reviews.

**If unpaid work activity, method of daily supervision.**

Supervision will be conducted by the employer of record/ work-site supervisor through an agency Sponsor Agreement with the county department or agent of the county department. *Daily supervision means that a responsible party has daily responsibility for the oversight of the individual's participation, not necessarily daily, in-person, contact with the participant*

**FLSA NOTE:** Guidance on FLSA has been given to all county departments. Colorado's eligibility and workforce development automated system, the Colorado Benefits Management System (CBMS), calculates fair labor standards payments automatically based on a mini-simplified food program in order to pay hours completed above the benefit amount divided by the higher of the state and federal minimum wage. Participants who participate for the maximum hours allowed under the minimum wage requirements of FLSA are considered to have satisfied the weekly number of core activity hours. All work experience and community service participants are considered employees under the FLSA.

**8) Vocational educational training****Federal regulatory Definition**

The organized educational programs that are directly related to the preparation of individuals for employment in current or emerging occupations requiring training including a baccalaureate or advanced degree. These programs are provided through education/training organizations, such as vocational/technical schools, community colleges, post-secondary institutions and proprietary schools

**Services/programs Colorado includes under the activity**

Colorado recognized organized educational programs/activities that are directly related to the preparation of individuals for employment in current or emerging occupations requiring training that may include a baccalaureate or advanced degree. Accredited and/or credentialed programs provided through education/training organizations, such as vocational/technical schools, community colleges, post-secondary institutions and proprietary schools. Vocational education can also include paid or unpaid internships/externships and field placements related to a formal training experience. Basic/remedial education and ESL may be counted under this work activity as long as they are a necessary or regular part of the vocational education/training. If ESL and basic remediation are assigned as stand alone activities prior to vocational education commencing, such as stand alone prerequisites or other stand alone basic education/ESL, they will be reported under job skills training directly related to employment or education directly related to employment. No more than 25 percent of the participants' total scheduled hours in vocational education will be dedicated to basic skills or ESL or those hours will be reported under job skills training directly related to employment or education directly related to employment. For example, if total scheduled class hours are 12 per week, no more than 3 hours will be dedicated toward basic remediation or ESL under this vocational education training activity. Distant learning will also be allowed under this work activity

**How Colorado determines the number of countable hours of participation for the activity**

Timesheets and/or school attendance records certified by the sponsor of record, school administrator, professor/teacher etc will be accepted and will include: the participant's name; actual hours of participation; the name of the person supervising/instructing, educational provider, or other service provider; and the name and phone number of the person verifying hours.

**How Colorado verifies actual hours of participation for the activity**

The case manager of record verifies the actual hours of participation for this work activity monthly through a review of the timesheet, pay stub and/or other employer/work-site issued documentation. Distant learning hours will be verified through any of the following: on-line learning instructor signature and/or computer system log in and out times coupled with the satisfactory progress of each participant. Hours are also verified through the Tier I and Tier II processes outlined under Section IV - Internal Controls in this document, which includes both secondary stage supervisory reviews and state management reviews

**NOTE:** *Colorado's computer system for reporting work activity hours and tracking participants through work programs is programmed to default to 0 hours of participation if/when a participant has reached the 12-month statutory time-limit in this work activity and those additional hours will be reported under "other work activity hours"*

**If unpaid work activity, method of daily supervision.**

Supervision will be conducted by an agent of the vocational school, community college, post-secondary institution or other training organization responsible for credentialing the student with certifications etc. that result from such school attendance. Secondary stage supervision can occur through a case manager or a designee of the case manager and agreed upon through the participant's Individual Responsibility Contract (IRC). Unsupervised homework hours will be allowed at one hour for every scheduled hour in this work activity. Supervised homework will be recognized above and beyond the unsupervised 1:1 ratio when substantiated through timesheets and attendance records from places such as study groups, computer labs and library attendance. Total homework time counted for participation cannot exceed the hours required or advised by a particular education program. *Daily supervision means that a responsible party has daily responsibility for the oversight of the individual's participation, not necessarily daily, in-person, contact with the participant*

**9) Job skills training directly related to employment****Federal regulatory Definition**

Training or education for job skills required by an employer to provide an individual with the ability to obtain employment or to advance or adapt to the changing demands of the workplace. Job skills training can include customized training to meet the needs of a specific employer or it can be general training that prepares an individual for employment

**Services/programs Colorado includes under the activity**

Basic remediation, English as a Second Language, and other training explicitly focused on skills needed for employment or combined in a unified whole with job training. Colorado will allow all degree programs related to a specific job or occupation. These degree programs are allowed so long as substantiation exists in the case file that the field has a local labor market demand as determined by the Colorado Department of Labor and Employment. Job skills training can also include unpaid internships/externships and field placements related to a formal training experience. Distant learning will also be allowed under this work activity

**How Colorado determines the number of countable hours of participation for the activity**

Timesheets and/or school attendance records certified by the sponsor of record, school administrator, professor/teacher etc will be accepted will include: the participant's name; actual hours of participation; the name of the person supervising/instructing, educational provider, or other service provider; and the name and phone number of the person verifying hours.

**How Colorado verifies actual hours of participation for the activity**

The case manager of record verifies the actual hours of participation for this work activity monthly through a review of the timesheet from the educational institution and/or other community agency written substantiation of hours issued documentation. Distant learning hours will be verified through any of the following: on-line learning instructor signature and/or computer system log in and out times coupled with the satisfactory progress of each participant. Hours are also verified through the Tier I and Tier II processes outlined under Section IV - Internal Controls in this document, which includes both secondary stage supervisory reviews and state management reviews.

**If unpaid work activity, method of daily supervision.**

Supervision will be conducted by an agent of the educational institution or community agency responsible for this type of training delivery and/or credentialing in this area that result from satisfactory attendance. Secondary stage supervision can occur through a case manager or a designee of the case manager and agreed upon through the participant's Individual Responsibility Contract (IRC). Unsupervised homework hours will be allowed at one hour for every scheduled hour in this work activity. Supervised homework will be recognized above and beyond the unsupervised 1:1 ratio when substantiated through timesheets and attendance records from places such as study groups, computer labs and library attendance. Total homework time counted for participation cannot exceed the hours required or advised by a particular education program. *Daily supervision means that a responsible party has daily responsibility for the oversight of the individual's participation, not necessarily daily, in-person, contact with the participant*

**10) Education directly related to employment, in the case of a work eligible individual who has not received a high school diploma or a certificate of high school equivalency****Federal regulatory Definition**

Education related to a specific occupation, job, or job offer. This definition includes courses designed to provide the knowledge and skills for specific occupations or work settings, but may also include adult basic education and ESL. Where required as a prerequisite for employment by employers or occupations, this activity may also include education leading to a GED or high school equivalency diploma.

**Services/programs Colorado includes under the activity**

Basic remediation, English as a Second Language, and short-term training directly related to local labor market demands will all be included in this definition, but differs from job skills training directly related to employment because the work eligible individual does not have high school diploma or GED. Satisfactory progress will be considered a grade point average of 2.0 or better and/or what is considered "passing" by the educational institution or other organization providing training. Satisfactory progress is determined through monthly timesheets, not quarterly or otherwise. Other standards for satisfactory progress will include an analysis of individuals' particular circumstances and include appropriate accommodations for individuals with disabilities.

**How Colorado determines the number of countable hours of participation for the activity**

Timesheets and/or school attendance records certified by the sponsor of record, school administrator, professor/teacher etc will be allowed and will include: the participant's name; actual hours of participation; the name of the person supervising/instructing, educational provider, or other service provider; and the name and phone number of the person verifying hours.

### **How Colorado verifies actual hours of participation for the activity**

The case manager of record verifies the actual hours of participation for this work activity monthly through a review of the timesheet. Distant learning hours will be verified through any of the following: on-line learning instructor signature and/or computer system log in and out times coupled with the satisfactory progress of each participant. Hours are also verified through the Tier I and Tier II processes outlined under Section IV - Internal Controls in this document, which includes both secondary stage supervisory reviews and state management reviews.

### **If unpaid work activity, method of daily supervision.**

Supervision will be conducted by an agent of the educational institution or community agency responsible for this type of training delivery and/or credentialing in this area that result from satisfactory attendance. Secondary stage supervision can occur through a case manager or a designee of the case manager and agreed upon through the participant's Individual Responsibility Contract (IRC). Unsupervised homework hours will be allowed at one hour for every scheduled hour in this work activity. Supervised homework will be recognized above and beyond the unsupervised 1:1 ratio when substantiated through timesheets and attendance records from places such as study groups, computer labs and library attendance. Total homework time counted for participation cannot exceed the hours required or advised by a particular education program. *Daily supervision means that a responsible party has daily responsibility for the oversight of the individual's participation, not necessarily daily, in-person, contact with the participant*

### **11) Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a work eligible individual who has not completed secondary school or received such a certificate**

#### **Federal regulatory Definition**

Regular attendance, in accordance with the requirements of the secondary school or course of study, at a secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate

### **Services/programs Colorado includes under the activity**

This work activity will be used for high school and GED programs and satisfactory progress will be considered for both by the educational institution providing the instruction and/or county department providing pre/post testing with an approved pre-GED/literacy test. Progress will be monitored through periodic testing to ensure that realistic goals outlined in the participant's Individual Responsibility Contract are being met. If they are not being met, renegotiation and further testing will be completed to determine if possible learning disabilities exist. The work activity WILL NOT include other educational activities, such as adult basic education or language instruction unless they are linked to attending a secondary school or a GED program. Satisfactory progress will be considered a grade point average of 2.0 or better and/or what is considered "passing" by the educational institution or other organization providing training. Satisfactory progress is determined through monthly timesheets, not quarterly or otherwise. Other standards for satisfactory progress will include an analysis of individuals' particular circumstances and include appropriate accommodations for individuals with disabilities.

**How Colorado determines the number of countable hours of participation for the activity**

Timesheets and/or school attendance records certified by the sponsor of record, school administrator, professor/teacher etc will be allowed and will include: the participant's name; actual hours of participation; the name of the person supervising/instructing, educational provider, or other service provider; and the name and phone number of the person verifying hours.

**How Colorado verifies actual hours of participation for the activity**

The case manager of record verifies the actual hours of participation for this work activity monthly through a review of the timesheet. Distant learning hours will be verified through any of the following: on-line learning instructor signature and/or computer system log in and out times coupled with the satisfactory progress of each participant. Hours are also verified through the Tier I and Tier II processes outlined under Section IV - Internal Controls in this document, which includes both secondary stage supervisory reviews and state management reviews

**If unpaid work activity, method of daily supervision.**

Supervision will be conducted by an agent of the educational institution or community agency responsible for this type of training delivery and/or credentialing in this area that result from satisfactory attendance. Secondary stage supervision can occur through a case manager or a designee of the case manager and agreed upon through the participant's Individual Responsibility Contract (IRC).

Unsupervised homework hours will be allowed at one hour for every scheduled hour in this work activity. Supervised homework will be recognized above and beyond the unsupervised 1:1 ratio when substantiated through timesheets and attendance records from places such as study groups, computer labs and library attendance. Total homework time counted for participation cannot exceed the hours required or advised by a particular education program. *Daily supervision means that a responsible party has daily responsibility for the oversight of the individual's participation, not necessarily daily, in-person, contact with the participant*

**12) Providing child care services to an individual who is participating in a community service program****Federal regulatory Definition**

Providing child care to enable another TANF recipient to participate in a community service program

**Services/programs Colorado includes under the activity**

Colorado will not use this work activity beginning Oct. 1, 2008

**How Colorado determines the number of countable hours of participation for the activity**

N/A

**How Colorado verifies actual hours of participation for the activity**

N/A

**If unpaid work activity, method of daily supervision.**

N/A

## II. Hours Engaged in Work

### a. Excused Absences and holidays

Colorado is a state supervised, county administered program for TANF. County departments will determine when excused absences will be granted to a Colorado Works participant on a case-by-case basis and under final HHS TANF regulation. In addition, ***no more than 10 holidays will be granted per year per work eligible individual.*** The holiday schedule will be as follows:

***New Years Day  
Veterans Day  
Memorial Day  
Independence Day  
Labor Day  
President's Day  
Thanksgiving Day  
The Friday following Thanksgiving Day  
Christmas Eve Day  
Christmas Day***

State and county policy will be applied fair and equitably when determining which absences will be excused. County staff shall take into consideration barriers presented by the participant through documented assessment and testing. In addition, they shall consider those presenting barriers with cultural and situational sensitivity when determining whether an absence is considered excused. Usually, absences will relate to medical and dental appointments for the participant and/or family member, legal proceedings, child care provider issues, and/or other related situations that are sometimes beyond the control of the participant. The counties have a dispute resolution process to follow when participants disagree with a particular decision, this determination of fair and equitable application of policy will fall under the auspices of dispute resolution when questioned. The total number of ***excused absences*** will be limited to 80 hours per year (preceding 12-month period) and not more than 16 hours per month.

Supervision of utilization of holiday time and excused absences will be conducted through the Colorado Works Quality Assurance and Work Verification Process. Included in these procedures are ***ongoing quality assurance of data consistency*** performed by state staff, ***secondary stage supervisory reviews*** to assure accuracy at the county level and a third process called ***state supervisory reviews***, which is essentially a check of the county reviews, county case files, and work processes. (see Section IV – Internal Controls) In this three-tiered process, state staff will be exploring, at each juncture, the participant timesheets, hours entered into the Colorado Benefits Management System, and that credit is given for only those total days/hours allowed by HHS final regulation. Any excused absences beyond what HHS allows for credit can be given based on county policy/practice, but hours will not be counted toward the federal work participation rate as excused hours.

- b. **FLSA Deeming** – Under Colorado's approved mini-simplified food stamp program, Colorado is approved to deem participants in the TANF programs' community work experience and community service programs as participating if their average weekly hours

are below 20, but within the FLSA guidelines. An example of the deeming calculation based on the mini-simplified food program is as follows.

TANF basic cash assistance grant amount = \$280.00 + Food stamp grant amt. of \$150.00 = \$430.00

\$430.00 ÷ the higher of the state or federal minimum wage (\$7.02/hr currently) = 61.25 (61) hours per month.

Colorado determines avg. weekly hours by using the following calculation:

61 hours in the month x 7 days in the week = 427 ÷ number of days in the month (31) = 13.77.

In the above scenario, the Colorado Works participant would be deemed as participating with 13.77 avg. weekly hours of participation in community service and/or community work experience under the Fair Labor Standards Act. Deeming only applies once the work eligible individual participates for the maximum number of hours allowed under FLSA and is only allowable for the first 20 average weekly hours under community service and community work experience activities.

### **III. Work Eligible Individual**

- a. Describe the State's procedures for identifying all work-eligible individuals: These individuals are identified through current logic in the Colorado Benefits Management System (CBMS); the state's TANF payment and work program tracking system for TANF/Colorado Works participants. Colorado has never employed any separate state programs under TANF and has executed full family sanctions since PRWORA was signed into law in 1996, therefore, defining additional work eligible individuals will not require additional programming logic to identify these individuals. Non-recipient parents are not considered work eligible individuals in Colorado for reasons outlined in the TANF Final Rule, such as alien status and minor parent who is not head of household. Colorado will not include SSI/SSDI recipients in the work participation rate calculations. Colorado does not currently have any other non-recipient parents that are not otherwise excluded on the caseload. If non-recipient parents are identified in the future as a result of becoming a part of the caseload, the Colorado Benefits Management System (CBMS) is equipped with data identifiers for those individuals, such as those in receipt of SSI/SSDI, that can easily be captured in logic to include those individuals/families.

Disability coding logic exists in the Colorado Benefits Management System that allows county department staff to code those cases where a parent is caring for a disabled family member and should not be categorized as a work eligible individual. The county departments will be trained and formally advised of the need to document medical verifications in the case file for this purpose. Medical verification will be updated at each re-determination of TANF eligibility, or before, if it is determined warranted by the case manager of record. A family member is considered any person living in the household that is dependent on the work eligible individual(s) for care and is related to the TANF recipient within the 5<sup>th</sup> degree of kinship.

- b. Describe verification procedures for ensuring the accuracy in reporting of work-eligible individuals on the TANF data report and the SSP-MOE data report.

**Please see Section IV – Internal Controls Tier I**

- c. Describe the procedures that show how the state ensures that, for each work-eligible individual, it accurately inputs data into the automated data processing system, properly tracks the hours and accurately reports countable hours to HHS that do not include participation in an activity that does not meet a federal definition.

**Please see Section IV – Internal Controls Tier I**

#### **IV. Internal Controls**

Colorado operates a state supervised, county administered TANF program. The Colorado Works program operates in all counties in Colorado and is administered locally by the counties. Each county enters into a Memorandum of Understanding (MOU) with the State and has written county policies describing its program plans, including its work verification policies and procedures. The State is responsible for assuring that all counties are complying with the terms of their county policies and that they are in compliance with all federal and state statutes and regulations. Counties have flexibility in determining the approaches needed to achieve these requirements.

**Colorado began a three tiered quality assurance and work verification process on October 1, 2007 that will satisfy requirements set forth in Section III (a) (b), Section IV (1-4) and Section V.**

- 1) *Describe the internal controls designed to ensure established work verification procedures are properly employed.*

The following are the internal controls that will be employed through the Colorado Works Quality Assurance and Work Verification Processes that will commence on October 1, 2007. Included in these procedures are ongoing **quality assurance of data consistency** performed by state staff, **secondary stage supervisory reviews** to assure accuracy at the county level and a third process called **state supervisory reviews**, which is essentially a check of the county reviews, county case files, and work processes.

##### **Tier I - Quality assurance/data consistency**

State staff are responsible for this level of internal control which will occur on an ongoing basis and is a part of daily tasks in the Colorado Works Division.

I. Colorado Works staff will download work participation rate related data elements from a sample of TANF cases every other month to an Excel spreadsheet identifying each case and each data element related to the work participation rate in Section One of the report. At a minimum, the following data will be checked from the TANF federal sample every month for all sample cases:

- A. Work eligible indicator is correct based on other information in the automated system for the report month (satisfies Section III (a) requirements)
- B. Verification check to assure no data inconsistencies exist between data elements downloaded. For example, family type data element and the number of adults in the household are consistent (satisfies Section IV (2) requirements)
- C. Control for data errors, including transcription and coding errors, data omissions, computational errors and compilation errors will be examined from the spreadsheet at this point and resolved prior to submission of the TANF federal report (this check satisfies Section IV (2) requirements)

II. In addition to the review for data inconsistencies and potential errors in the sample cases in I above, a minimum of 10 randomly selected cases will be checked every month against the case file to assure the following are correct and timely. If a case exists where a client is participating in job search/job readiness, that case will be selected as well and it will become part of the 10 selected cases. The

state will review logs of time/timesheets to ensure they are complete. If they are not complete and/or the state cannot verify hours, the hours will not be reported for work participation. At a minimum, the state will review whether or not:

- A. Application processing is timely.
- B. Proper assessment and Individual Responsibility Contract (IRC) are included in the file and the IRC reflect work activities based on assessment outcome and meet the appropriate federal definitions based on ancillary data in the file.
- C. For each work-eligible individual, data exists in the automated system (CBMS) that properly tracks the hours for each work activity and accurately reports countable hours to HHS that do not include participation in an activity that does not meet a federal definition (satisfies Section III (b) requirements)

III. Finally, a subset of the cases from the secondary stage supervisory reviews in Tier II will be selected for review by the state. This sample will be at least 2% of the state random sample for secondary stage reviews. The State will conduct case file reviews of the actual hardcopy case files as well as the electronic files contained in the Colorado Benefits Management System (CBMS). The State uses a standardized county monitoring tool that verifies compliance in the areas listed in Tier II for secondary stage reviews, in addition to other elements related to eligibility determination and benefit accuracy. State supervisory reviews include an additional secondary review of actual time sheets and the documentation of work activities in CBMS.

Findings from these case file reviews will be shared with the counties and action plans will be developed to address areas of non-compliance, including any necessary corrective action plans. The state will also use the findings to develop training to mitigate systemic problems in the future.

#### **Tier II – Secondary Stage Supervisory Reviews**

The Colorado Department of Human Services will provide direction, technical assistance and training to Colorado county departments in an effort to provide guidance for conducting secondary stage supervisory reviews of case files. A random sample will be sent to the counties each month with cases they should conduct a secondary stage supervisory review of. Colorado projects this sample to be at least 5% of the work eligible TANF/Colorado Works caseload. The Secondary Stage Supervisory Review will be conducted by the county Colorado Works supervisor, conducted peer-to-peer with supervisory oversight, or contracted or utilizing another county's supervisory staff (smaller counties). The sample is determined through logic in the Colorado Benefits Management System identifying work eligible individuals. At minimum, the following shall be subject to verifications through this process:

- i. Proper work activity utilization based on federal regulatory definitions and per Colorado's approved work verification plan
- ii. Monthly timesheet or other allowable work hour documentation included in the case record
- iii. Where applicable, progress is documented for each month of participation for work eligible individuals in education requiring such progress.
- iv. Excused absences and holidays are being applied consistently per state and county policy
- v. The FLSA is applied to community service and community work experience properly
- vi. Proper supervision of work activities is occurring as per Colorado's work verification plan
- vii. Proper coding for the case, including relationships, disability, and those related to work eligibility
- viii. Proper documentation and attendance verification for job search/job readiness work activities

### **Tier III – State Management Site Visits**

The State conducts regular reviews of county Colorado Works programs through a process called State Management Site Visits. All 64 counties in Colorado are reviewed at least once every three years. These comprehensive, on-site reviews are meant to provide counties with direct feedback on the implementation of their program in their county, and include a summary of the findings from the ongoing case file reviews described in Tiers I and II. In addition, state staff will analyze and review county policies, plans, procedures, contracts, and other relevant documents and administrative data that describe and inform on the county's program implementation, strengths and opportunities for improvement. The focus of the site visit is primarily one of information sharing, technical assistance, and training, with State staff representing workforce development, eligibility, and policy and planning.

- 2) *Describe internal controls to control for data errors, including transcription and coding errors, data omissions, computational errors, and compilation errors*

**Please see Section IV – Internal Controls Tier I**

- 3) *Describe the checks used to isolate electronic systems and programming errors and the steps to ensure that all work participation report items are internally consistent.*

Identification of electronic system errors primarily take place in the review of data elements outlined in Tier I. Once errors are identified, they are researched to determine if the cause was a data entry error or system programming. Training plans are developed for counties based on findings related to data entry and are presented at the State Management Site Visits described in Tier III. Programming and other system edits will be researched and written up for change in CBMS if the determination is made that the issue is not user related.

- 4) *Describe any sampling and estimation techniques employed in data validation. The Work Verification Plan should document the soundness of all statistical procedures utilized in the verification process.*

Colorado does sample for TANF federal reporting and provided a sampling algorithm that was approved by HHS after PROWRA was implemented in the states. Colorado will use the TANF federal sample to initially examine both data and files to determine a need to look any further if issues seem systemic. Sampling for the secondary stage supervisory reviews are done randomly based on different indicators satisfying the need to conduct reviews for work verification, but also a state need to verify correct payments, IEVS are worked, and other state specific strategies for working with TANF clients. Colorado takes a subset of TANF cases from a secondary algorithm that includes TANF criteria (payment, family type, payment type etc) to determine the subset sample used for State Supervisory Reviews.

## **V. Verification of other data used in calculating the Work Participation Rates**

- 1) For each of the data elements used in calculating the State's work participation rate, the following is the data validation procedures to ensure "complete and accurate" data reporting:

**Please see Section IV – Internal Controls Tier I**

- 2) *Describe any procedures employed to eliminate data inconsistencies between two or more data elements.*

Identification of data inconsistencies primarily takes place in the review of data elements outlined in Tier I. Once errors and inconsistencies are identified, they are researched to determine if the cause was a data entry error or system programming. Training plans are developed for counties based on findings related to data entry and are presented at the State Management Site Visits described in Tier III. Programming and other system edits will be researched and written up for change in CBMS if the determination is made that the issue is not user related.

Colorado also utilizes TANF WPR data files provided by our Region VIII Statistical & Financial Specialist, to control for all data errors. This information has historically informed changes to the Colorado Benefits Management System (CBMS) that ultimately corrected data errors and were used to analyze the need for relevant edits in the system.

### **Work participation status**

#### *Procedures to ensure Disregarded- Child under 12 months*

Colorado does not disregard families from the internal work participation rates (reports to counties each month) for the purpose of having a child under the age of 12-months so the county is encouraged to work with the family regardless of the age of the youngest child.

#### *Procedures to ensure Disregarded- Family is not disregarded for more than three months in any period of 12 consecutive months based on work eligible individual's refusal to participate in work.*

The Colorado Benefits Management System is equipped with logic (a counter) that does not allow for a family to be disregarded for more than three months in the preceding 12 consecutive months period due to sanction (failure to participate in work).

#### *Procedures to ensure family deemed engaged in work based on 20 hours of participation in countable work activities meets the requirements of a single custodial parent or caretaker relative with a child under the age of 6 years old.*

The Colorado Benefits Management System is equipped with logic to determine the relationship of the child to the parent or caretaker relative. If the parent or caretaker relative meets relationship criteria to a child under the age of 6 years old in the assistance unit, the case is subject to the 20 average weekly hours in countable work activities.

## **VI. Submittal Procedures**

### **Submitted to the Office of Family Assistance**

*Administration for Children and Families*

*5<sup>th</sup> Floor East*

*370 L'Enfant Promenade, SW.*

*Washington, D.C. 20447*

*on September 29, 2006 by:*

*Kevin R. Richards, Director/IV-A Administrator*

*Colorado Department of Human Services*

*Colorado Works Program*

*1575 Sherman St. 3<sup>rd</sup> Floor*

*Denver, CO 80203-1714*

*(303) 866-2054 or Kevin.Richards@state.co.us*

## **VII. Implementation of Plan and Certification**

- I. Colorado will implement this amended Work Verification Plan on October 1, 2008 per 45 CFR Parts 261, 262, 263, and 265.

***This is to certify that Colorado's Work Verification Plan includes all the information required by the regulations at 45 CFR 261.62(b) and accurately reflects the provisions under which the state is operating or will be operating as of October 1, 2008.***

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*Karen L. Beye, Executive Director*

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